

LEGAL NOTICE

and

Preliminary Determination for an Air Quality Permit for

OXY USA WTP Limited Partnership

OXY USA WTP Limited Partnership, PO Box 50250, Midland, TX has submitted an air quality permit application to the Air Quality Bureau (AQB), New Mexico Environment Department (NMED) for an air quality permit to modify the South Indian Basin Compressor Station (SIBCS). The application file has been assigned Permit No. 2095M3 and TEMPO Agency Interest ID No. 417. The exact location of the facility is at latitude 32 degrees, 27 minutes, 5.82 seconds and longitude -104 degrees, 34 minutes, 35.52 seconds. This facility is located approximately 18 miles west-northwest of Carlsbad, in Eddy County, NM. Driving directions from Carlsbad: Head west on NM-524W/W and take a slight right onto NM-524-W/S Happy Valley RD for 6.1 miles. Turn left onto US-285N and follow for 4.1 miles. Turn left onto NM-137S for 8.9 miles and slight right onto Marathon Road. Drive Marathon for 5.5 miles and make left turn and continue for 0.9 miles. Make a left turn and drive for 0.6 miles. SIBCS will be on the right.

The proposed modification to the facility will consist of adding three lean burn compressor engines, one 500-bbl produced water tank, adding SSM emissions, submitting revised emission calculations for the condensate tank and modifying initial compliance testing for one existing compressor engine. The existing facility consists of two lean burn compressor engines, two IC compressors, two electric compressors, one 70 MMscf/d TEG dehydrator still vent and VRU, one 0.7 MMBtu/hr TEG dehydrator/re-boiler, one 500-bbl condensate storage tank, one 500-bbl produced water tank, one gun-barrel separator, one flare pilot associated with SSM emissions, and fugitive emissions.

Total air pollutant emissions to the atmosphere are estimated to be approximately Nitrogen Oxides (NO_x) at 54.6 tons per year tpy; Carbon Monoxide (CO) at 68.8 tpy; Volatile Organic Compounds (VOC) at 63.6 tpy; Sulfur Dioxide (SO₂) at 4.2 tpy; Total Suspended Particulate Matter (TSP) at 2.8 tpy, Particulate Matter 10 microns or less (PM₁₀) at 2.8 tpy, Particulate Matter 2.5 microns or less (PM_{2.5}) at 2.8 tpy, Hydrogen Sulfide (H₂S) at 1.6 tpy, and total HAPs at 24.5 tpy. The facility is a minor, < 100,000 tpy CO₂e, source of green house gas emissions. These emission estimates could change slightly during the course of the Department's review of the application.

The NMED has conducted a preliminary review of the information submitted with the permit application. The preliminary review and applicant's analysis of ambient air quality impacts indicates that the facility's air emissions will meet the air quality standards for NO_x, CO, SO_x, H₂S and Particulate Matter. VOC's are a pre-cursor to ozone and the NMED does not require an individual ozone ambient impact analysis for each application. To determine compliance with national ambient air quality standards for ozone, NMED uses air monitors to monitor ozone concentrations. A full review will evaluate the estimated emission rates for the pollutants listed in this public notice and determine compliance with ambient air quality requirements and standards.

Based on the applicant's analysis, a preliminary determination is that this facility will comply with the requirements of Title 20, New Mexico Administrative Code (NMAC), Chapter 2, Parts 3, 7, 61, 72, 73, 75 and 82; 40 CFR 50; 40 CFR 60 Subparts A, JJJJ, OOOO; 40 CFR 63 Subparts A, HH, ZZZZ; and the New Mexico Air Quality Control Act. Therefore, the preliminary intent of NMED is to issue the air quality permit on or before November 19, 2014.

To ensure compliance with state and federal air regulations, the permit is expected to include conditions that limit the emissions, production rate, and conditions that will require record keeping and reporting to the Department.

The permit application is available for review in electronic form or hard copy at the Air Quality Bureau Office, 525 Camino de los Marquez Suite 1, Santa Fe, New Mexico. To arrange for viewing of this application contact Teri Waldron, at 505-476-4355 or teri.waldron@state.nm.us. The permit application is also available at the NMED Carlsbad Office, located at 406 N. Guadalupe, Suite C, Carlsbad, NM 88220 for public review.

All interested persons have thirty (30) days from the date this notice is published, to notify the Department in writing of their interest in the permit application. The written comments should refer to the company name, facility name and Permit Number (or send a copy of this notice along with your comments). The written comments shall state the nature of the issues raised and how it relates to the requirements of applicable state and federal air quality regulations and the Clean Air Act. The written comments should be mailed to Richard Poley, New Mexico Environment Dept., Air Quality Bureau, Permit Section, 525 Camino de los Marquez, Suite 1, Santa Fe, NM 87505-1816.

The Department will notify all persons, who have provided written comments as to when and where the Department's analysis may be reviewed. Although all written comments will be made part of the public record, any person who does not express interest in writing before the end of this first thirty (30) day period will not receive such notification.

If the Department receives written public comment before the end of the Department's thirty (30) day public notice, the Department's analysis will be made available for review for thirty (30) days at the NMED district or field office nearest to the source before the permit will be issued. Written comments on the analysis or permit application may be submitted to the Department during this second thirty (30) day period or at any time before the permit is issued or denied.

Questions or comments not intended to be part of the public record can be directed to Richard Poley at 505-476-4308. General information about air quality and the permitting process can be found at the Air Quality Bureau's web site. The regulation dealing with public participation in the permit review process is 20.2.72.206 NMAC. This regulation can be found in the "Permits" section of this web site.